



## CHA Families and the Plan for Transformation

## Transformed Housing *Major Improvements in CHA Residents' Quality of Life*

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*"In 2000,  
Madden/Wells was in  
deplorable condition."*

When the Chicago Housing Authority (CHA) launched its ambitious Plan for Transformation in 1999, it faced enormous challenges. For decades, the CHA had failed to meet even its most basic responsibilities as the city's largest landlord; by the 1990s, a combination of failed federal policies, managerial incompetence, financial malfeasance, basic neglect, and a troubled resident population had left its developments in an advanced state of decay. CHA families lived in an environment that exposed them to such hazards as lead paint, mold, cockroaches, rats and mice, broken plumbing, exposed radiators, and broken light fixtures. They had to cope with broken elevators and darkened stairwells and elevators that put them at risk for injury or assault (Popkin et al. 2000). The Madden/Wells development was no exception; by the time the CHA received a HOPE VI grant in 2000 to revitalize the Madden/Wells community, the development was in deplorable condition, with many units with water leaks, mold and mildew damage, and broken heating.

One of the primary goals of the CHA's Plan for Transformation—and for the

HOPE VI program overall—was to provide an improved living environment for residents of severely distressed public housing (Popkin, Levy, and Buron 2009). The CHA's HOPE VI plans for Madden/Wells, as for most of their other distressed developments, called for demolishing the development—nearly 3,000 units in three adjacent developments—and replacing them with a new mixed-income community called Oakwood Shores. In Madden/Wells, unlike most of its other HOPE VI sites, the CHA used a staged relocation plan, meaning that the site was not cleared before new construction began. Instead, the agency left original buildings standing and occupied, as other buildings were demolished and new housing was constructed on the site (Popkin 2010). The CHA did not complete relocation and close the development until August 2008.

When we followed up on the CHA Panel Study sample in 2005, four years after the Panel Study baseline and the beginning of relocation, the picture for residents' quality of life was mixed. Respondents' reports of their housing conditions varied considerably according to where they lived. Those

who had moved with a Housing Choice Voucher—the largest share of the residents at 44 percent of the sample—reported living in substantially better conditions in 2005 than in 2001. For example, the proportion of voucher movers reporting two or more problems with their housing like broken plumbing, mold, and peeling paint fell from 83 percent at the baseline to just 26 percent in 2005. The vast majority (81 percent) reported that their new housing was better than where they lived before they moved. The respondents who relocated to new mixed-income housing (5 percent) also reported very good living conditions, while the reports of those who had moved but were no longer receiving housing assistance (7 percent) were mixed, with most still rating their housing better than at baseline. However, while conditions for movers had improved, the situation for the 40 percent of respondents still living in Madden/Wells and awaiting relocation had not changed since 2001. Most were still living in substandard—and potentially dangerous—housing, with about 70 percent continuing to report two or more problems with their housing in 2005.

In 2009, eight years after the baseline, Madden/Wells was closed and all residents had been relocated. Most (54 percent) had vouchers and were renting in the private market, 18 percent had moved into a mixed-income development, and 12 percent were living in a traditional public housing development. The rest (17 percent)

were no longer receiving housing assistance. Since 2005, the CHA had made significant progress on the mixed-income developments that were replacing its distressed public housing, and some former residents had moved into the new units. Further, the agency had made major investments in its remaining traditional public housing developments, completing rehabilitation efforts that were part of the Plan for Transformation. Original residents who had elected to stay in public housing had moved into these refurbished developments.

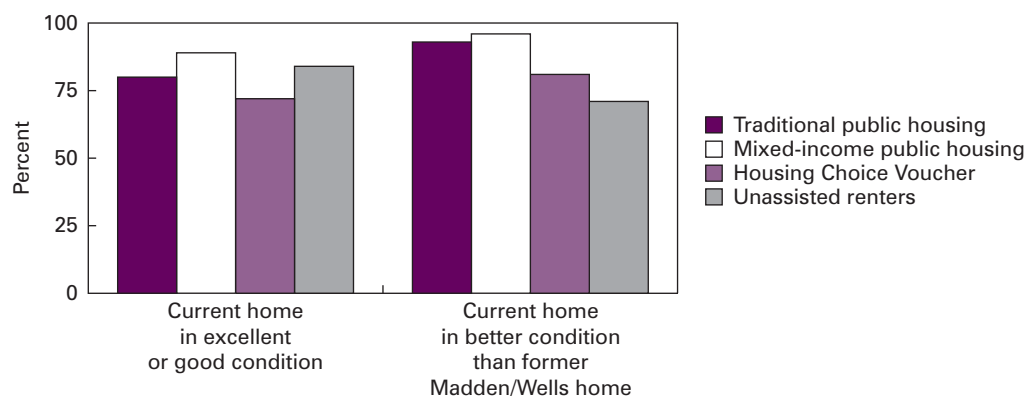
This brief reports on the longer-term housing quality outcomes for Madden/Wells residents, eight years after the baseline and 10 years into the CHA's Plan for Transformation. Overall, we find that housing quality has now improved substantially for CHA residents across the board. These differences are profound and represent a significant improvement in the quality of life for CHA's residents.

## Ratings of Current Housing

As described above, in 2005, respondents who had moved with vouchers reported improvements in housing quality, but residents who remained in Madden/Wells were enduring conditions that were as bad—or worse—than at the baseline in 2001. Four years later, the picture is quite different—the vast majority of residents report that their housing is in good condition, regardless of the type of assistance they receive. As figure 1 shows, most

*“Housing quality has improved substantially for CHA residents across the board.”*

FIGURE 1. Condition of Current Home by Housing Assistance in 2009



Source: 2009 Chicago Panel Study Sample

respondents now give high ratings to their housing and report that it is better than where they lived in Madden/Wells:

- Over three-fourths (77 percent) of respondents reported their current unit was in excellent or good condition. Respondents in mixed-income housing were most likely to rate their housing as excellent (43 percent), while approximately a quarter of those in traditional public housing, voucher units, and unassisted units gave their housing such a high rating. In sharp contrast to 2005, no residents living in traditional public housing rated their housing as poor, and less than 10 percent of residents in other types of housing gave their housing low ratings.<sup>1</sup>
- Nearly all survey respondents (84 percent) reported that their current unit was in better condition than their former Madden/Wells unit, including more than 90 percent of those in mixed-income or traditional public housing. These high ratings likely reflect the fact that these respondents were living in new or substantially refurbished units. As in 2005, more than 80 percent of respondents using vouchers to rent units in the private market also reported that their current unit was better than their housing in Madden/Wells.
- The few respondents (3 percent) who reported their current unit was in worse condition than their Madden/Wells

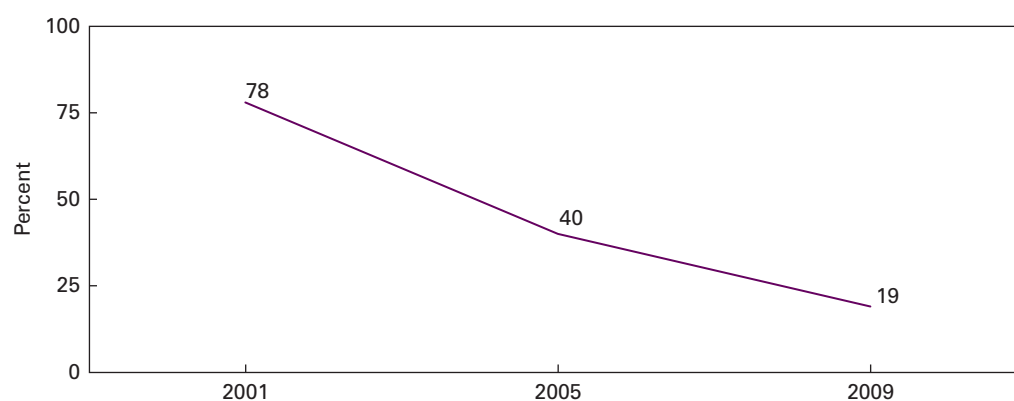
unit were all renting in the private market, either with a voucher or without assistance.

## Housing Problems

In addition to asking respondents to compare their current housing to their original public housing unit, we also asked them about a series of specific housing problems, similar to the list included in the American Housing Survey.<sup>2</sup> These problems include broken plumbing, mold, peeling paint, broken heating, and infestations of cockroaches and other vermin.

- Figure 2 shows the profound improvement in Madden/Wells' respondents housing quality since 2001. At baseline, nearly 80 percent of Madden/Wells residents reported two or more housing problems. But in 2009, just 19 percent reported two or more problems. Likewise, the proportion of respondents reporting severe housing quality problems (four or more problems) dropped from over 40 percent at baseline to less than 10 percent in 2009 (figure 3).
- Table 1 shows that the most common problems that respondents reported in 2009 were water leaks (17 percent) and peeling paint or broken plaster (11 percent). However, while not ideal, these levels still represent dramatic improvements from the baseline, when over half of Panel Study respondents reported each of these problems.

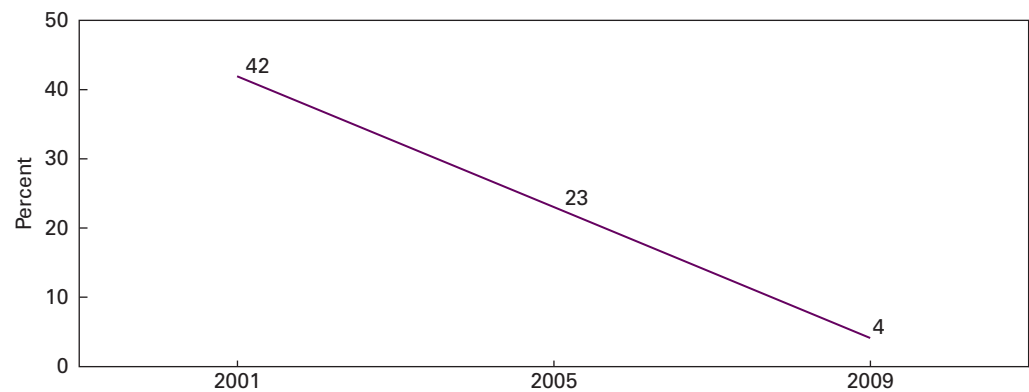
FIGURE 2. Respondents Reporting Two or More Housing Condition Problems



Sources: 2001, 2005, and 2009 Chicago Panel Study Sample

Note: All changes are significant at the  $p < .05$  level.

FIGURE 3. Respondents Reporting Four or More Housing Condition Problems



Sources: 2001, 2005, and 2009 Chicago Panel Study Sample

Note: All changes are significant at the  $p < .05$  level.

Figure 4 shows respondents' reports of current problems by type of housing assistance in 2009. Stunningly, those who relocated to a traditional public housing development report almost no problems with their units, a dramatic reversal of the trend from 2005. Residents who are renting in the private market (voucher holders and

unassisted renters) report the most problems overall, though the level is still substantially lower than when they lived in Madden/Wells. Even the most common problems are comparatively rare; in 2009, 23 percent of voucher holders reported water leaks, compared with 64 percent in 2001. Likewise, 17 percent reported

*“Those who relocated to a traditional public housing development report almost no problems with their housing.”*

TABLE 1. Problems in Housing Units

	Madden/Wells home, 2001 (%)	Current home, 2009 (%)	Change (percentage points)
Water leaks in home (in past three months)	58	17	-41**
Peeling paint or broken plaster larger than 8 by 11 inches	56	11	-44**
Exposed radiator without a cover	46	3	-43**
Significant mold or damage in bathroom	36	10	-27**
Cockroach infestation	34	9	-25**
Unit cold for 24 hours or more in winter	33	10	-23**
All toilets were not working (in past three months)	29	6	-23**
Rat or mice infestation	27	10	-17**

Sources: 2001 and 2009 Chicago Panel Study Samples.

Notes: Sample size is 136.

\*\* Indicates change is statistically significant at the  $p < .05$  percent level.

FIGURE 4. Respondents Reporting Two or More Housing Condition Problems by Housing Assistance in 2009



Sources: 2001, 2005, and 2009 Chicago Panel Study Sample

Note: All changes from 2001 to 2009 are significant at the  $p < .05$  level.

problems with peeling paint, compared with 64 percent at baseline. Private market renters' higher level of housing problems could reflect the fact that these residents are living in older buildings more likely to have problems or that they are renting from private landlords who fail to properly maintain their properties.

## Implications

After the four-year follow-up of 2005, we questioned whether CHA's Plan for Transformation would have a mixed legacy for residents, with former residents who had received vouchers or succeeded in moving into mixed-income housing far better off, and those left behind in traditional public housing still living in unacceptably poor conditions (Popkin 2010). In light of those earlier findings, the results from the 2009 eight-year follow-up are truly stunning: regardless of where they live, CHA relocatees are now living in significantly better housing. The CHA has put considerable time and effort into improving its remaining public housing developments, and the investment appears to have paid off—the small percentage of respondents who are still living in these developments report having high-quality housing, often better than their counterparts now renting in the

private market. Those in mixed-income housing and renting in the private market have also realized substantial gains and relatively few now report serious hazards in their units. Perhaps the most striking finding is that the gains of voucher holders that were documented in 2005 have not eroded over time, suggesting these improvements are long-lasting.

However, while these gains are extremely encouraging, the CHA needs to remain vigilant to ensure that conditions do not deteriorate again over time.

- The CHA must ensure that its traditional developments are well-managed and maintained so that they remain decent places for its families to live. The agency will need to sustain its current management oversight and lease-enforcement policies, as well as continue to provide adequate case management and supportive services for residents. The CHA has a long history of management neglect; demonstrating that it can maintain the quality of these newly rehabilitated developments will help the agency overcome this legacy.
- Likewise, the CHA must take care to ensure that its new mixed-income communities remain high-quality places to live. Although the numbers are low, the

fact that residents are already reporting such problems as water leaks, mold, and broken heat is a concern and suggests that the agency will need to carefully monitor the private management companies responsible for maintenance and upkeep.

- Finally, these findings suggest that while most voucher holders are living in decent private market housing, some continue to experience serious housing problems like mold, peeling paint and plaster, and water leaks. The CHA must continue to monitor and improve its HCV inspection system to ensure that all residents are living in units that meet HUD's housing quality standards. Further, the CHA should continue to offer voucher holders access to mobility counseling and supportive services to help residents make more informed housing choices.

## Notes

1. All reported differences in means and proportions are significant at the  $p < .10$  level.
2. For more information on the American Housing Survey, see U.S. Department of Housing and Urban Development (2009).

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## **The Chicago Panel Study**

The Chicago Panel Study is a follow-up to the five-site HOPE VI Panel Study, which tracked resident outcomes from 2001 to 2005. The Chicago Panel Study continues to track the residents from the Chicago Housing Authority's Ida B. Wells Homes/Wells Extension and Madden Park Homes who were part of the original HOPE VI Panel sample. In October 2009, the CHA marked the 10th anniversary of the Plan for Transformation; the purpose of the Chicago Panel Study is to track the circumstances of the families in the Chicago HOPE VI Panel Study sample to assess how they are faring as the Plan for Transformation progresses.

Revitalization activities began in Madden/Wells in mid- to late 2001, and the last residents were relocated in August 2008. At the baseline in summer 2001, we surveyed a random sample of 198 heads of household and conducted in-depth, qualitative interviews with seven adults and seven children. We conducted follow-up surveys and interviews for the HOPE VI Panel Study in 2003 (n = 174, response rate 88 percent) and 2005 (n = 165, response rate 83 percent). In 2009, when we attempted to track the original Madden/Wells sample for the Chicago Panel Study, we surveyed 136 heads of household (response rate 69 percent) and conducted in-depth interviews with 9 adults and 9 children. The largest source of attrition between 2001 and 2009 was mortality; we were able to locate, if not survey, nearly all original sample members in the 2009 follow-up.

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